

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Planning and Building	(2) MEETING DATE 6/16/2015	(3) CONTACT/PHONE John McKenzie, Senior Planner\ (805) 781-5452	
(4) SUBJECT Submittal of Contract Amendment #5 (Clerk's File) for Special Services by Independent Contractor (Marine Resource Specialists) in the amount not to exceed \$1,823,761, to continue Mitigation Monitoring for Chevron Guadalupe Oil Field Clean-Up Project (D890558D). District 4.			
(5) RECOMMENDED ACTION It is recommended that the Board approve and sign the Contract Amendment #5 (Clerk's File) with Marine Resource Specialists, Inc. (MRS) to continue conducting mitigation monitoring work and report preparation for the Chevron/Guadalupe Oil Field Clean-Up project.			
(6) FUNDING SOURCE(S) Applicant	(7) CURRENT YEAR FINANCIAL IMPACT \$1,823,761.00	(8) ANNUAL FINANCIAL IMPACT \$0.00	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT { X } Consent { } Presentation { } Hearing (Time Est. ____) { } Board Business (Time Est. ____)			
(11) EXECUTED DOCUMENTS { } Resolutions { X } Contracts { } Ordinances { } N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) 19001540		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: { } 4/5 Vote Required { X } N/A	
(14) LOCATION MAP Attached	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY { } N/A Date: <u>June 18, 2013</u>	
(17) ADMINISTRATIVE OFFICE REVIEW Lisa Howe			
(18) SUPERVISOR DISTRICT(S) District 4			

County of San Luis Obispo



TO: Board of Supervisors

FROM: Planning and Building / John McKenzie, Senior Planner

VIA: Ellen Carroll, Planning Manager/Environmental Coordinator

DATE: June 16, 2015

SUBJECT: Submittal of Contract Amendment #5 (Clerk's File) for Special Services by Independent Contractor (Marine Resource Specialists) in the amount not to exceed \$1,823,761, to continue Mitigation Monitoring for Chevron Guadalupe Oil Field Clean-Up Project (D890558D). District 4.

RECOMMENDATION

It is recommended that the Board approve and sign the Contract Amendment #5 (Clerk's File) with Marine Resource Specialists, Inc. (MRS) to continue conducting mitigation monitoring work and report preparation for the Chevron/Guadalupe Oil Field Clean-Up project.

DISCUSSION

Project Description

Chevron's Guadalupe Oil Field Clean-Up is a remediation and restoration project occupying over 2,700 acres with more than 80 different locations found to be contaminated with diluent (petroleum hydrocarbon used to help thin heavy crude oil for transport), a hazardous fluid that poses an ecological threat to sensitive marine and terrestrial biological resources and the underlying groundwater basin. Since the initial observation of diluent leaks in the late 1980's, 40 of the 80 identified source plumes have been excavated and cleaned up, involving more than one million yards of contaminated soils being processed/ removed. More than 150 miles of pipeline have also been removed (see Attachment 3 for additional details).

The conditions of approval for the Guadalupe Clean Up Project (D890558D) specify that a monitor must be under County contract and providing mitigation monitoring services in order for Chevron to undertake remediation projects at each stage of the clean-up.

Contract Amendment

This contract amendment with MRS will provide for continuation of mitigation monitoring and report preparation services associated with the remediation of the Guadalupe Oil Field. This contract amendment does not affect Chevron's postponed truck haul route change.

On June 18, 2013, a 4-year contract was approved by the Board that authorized funding for the first two years of monitoring. The funding of the remaining two years of monitoring needs Board approval. Approval of this contract amendment would fulfill this requirement and extend the funding to monitor this site to July 12, 2017.

The County will be administering the contract. The scope of work provides monitoring services for the County, as well as the following agencies: Coastal Commission, Regional Water Quality Control Board, CA Department of Fish and Wildlife, U.S. Fish and Wildlife Service, County Air Pollution Control District, and the U.S. Army Corps of Engineers, all of whom participate on the Multiple Agency Coordination Committee (MACC). The MACC works cooperatively with Chevron to ensure compliance and successful site clean-up. These agencies, along with Chevron agree that MRS is the most qualified to perform this monitoring service.

MRS has developed: a comprehensive understanding of each agency's issues; a good working relationship with Chevron and each of these agencies; and an efficient reporting and monitoring program for the ongoing remedial efforts. Based on these factors, retaining MRS would avoid costly and time-consuming training of a different monitoring team, as well as provide the technical expertise necessary to achieve successful remediation and restoration.

This contract amendment does not affect Chevron's postponed truck haul route change. The status of the haul route change is that Chevron has postponed the further processing of this change. Chevron is continuing to use the approved haul route through the town of Guadalupe and is not using Willow Road on the Nipomo Mesa. If the haul route change is resubmitted, a public hearing will be required, and will be fully noticed and advertised.

This contract amendment is consistent with County Contracting procedures.

OTHER AGENCY INVOLVEMENT/IMPACT

Primary agencies involved in the monitoring effort include: Coastal Commission, Regional Water Quality Control Board, CA Department of Fish and Wildlife, U.S. Fish and Wildlife Service, County Air Pollution Control District, and the U.S. Army Corps of Engineers.

County Counsel reviewed the Contract as to form and legal effect.

FINANCIAL CONSIDERATIONS

The applicant (Chevron) will fund the required monitoring work. The total of \$1,823,761 would cover the cost of the proposed scope of work (not to exceed \$1,585,879), as well as provide for a contingency fund (not to exceed \$237,882). Staff costs will be recovered through the County fee schedule.

RESULTS

By approving the contract amendment with MRS, the County will continue its oversight with a designated mitigation monitor for remedial work at the Guadalupe Oil Field. The conditions of approval for the Guadalupe Development Plan and Coastal Development Permit specify that a monitor must be under County contract and providing mitigation monitoring services in order for Chevron to undertake remediation projects at each stage of the clean-up.

The continued monitoring efforts will ensure Condition compliance and successful remediation of this large and complex project. This is consistent with the County-wide goals of providing a well-governed and livable community.

ATTACHMENTS

1. Attachment 1 - Project Location Map
2. Attachment 2 - Contract Amendment #5 with MRS to continue Mitigation Monitoring for Chevron Guadalupe Oil Field Clean-Up (Clerk's File)
3. Attachment 3 - Project Summary/History